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Our AGM and a Year in Review



Dave Adams, president of AIAMC (third from left) receives an award in recognition of his years of service on I.E.Canada's board of directors.

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Isabel Alexander, outgoing chair of I.E.Canada's board of directors, recognized the involvement of members across Canada on our trade committees, as well as within our chapters, at our annual general meeting held on June 3 at the Westin Bristol Place Toronto Airport. She thanked the chairs of each of these committees and chapters for their work and dedication.

Isabel reminded delegates that our mission is to be the leading voice of

the trade community. I.E.Canada represents and educates importers and exporters and advocates on their behalf to influence change.

In the past year, Canada's importers and exporters have been faced with unprecedented challenges. The world has become more integrated as businesses around the globe strive to remain competitive and productive. Indeed, international trade continues to grow in com-

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Save These Dates for September

I.E.Canada's Customs Duty and International Trade Course will be held September 21-23, 2009, at the Hilton Garden Inn, Calgary, Alberta.

Learn the latest in trade policy and

practices from our world class panel of experts.

Watch for details in upcoming issues of I.E.Today and be sure to visit our website at www.iecanada.com.

Award in Memory of Beth Travis

It was with tremendous sadness that I.E.Canada learned of the passing of Beth Travis. A great friend to I.E.Canada, Beth passed away earlier this month. Her passionate and willing support given to all members will be missed.

Beth worked with Cami Automotive and was a dedicated volunteer and supporter of I.E.Canada. She was valued and respected by a community who recognized her commitment. Her belief in her company's corporate goals were brought forward and harnessed within a community that had similar needs. Beth embodied the mission of I.E.Canada to be the leading voice of the trade community, to represent and educate importers and exporters and advocate on their behalf to influence change.

This year, I.E.Canada will introduce an awards program to the Annual Conference. One of the awards will honour our member of the year; it will be called the Beth Travis Award.

The award will be presented annually to a member who has, through their personal and professional work, taken on the challenge of being the voice of Canadian importers and exporters, honouring the legacy left by Beth Travis.

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plexity, and companies are faced with the challenge of constantly evolving their business models in order to remain global leaders in their sectors. In fact, traditional approaches to managing trade will no longer work.

I.E.Canada aims to provide businesses with the tools they need to remain competitive and compliant. In conjunction with partners in government, the private sector and internationally, I.E.Canada encourages the development of trade policies that support Canadian businesses trading in the global marketplace.

I.E.Canada's members represent a cross-Canada perspective of the country's international trading companies.

Government policies and programs have a tremendous impact on trade, as demonstrated by the great success of Canada's global trade agenda and the focus on new free trade agreements. These kinds of programs must continue to bolster and encourage Canadian companies to compete and succeed in international markets.

Our survey last autumn revealed the following about our members:

- 91.2 per cent plan to renew their membership in the coming year
- 90 per cent stated that "generally I.E.Canada meets my expectations"
- 88 per cent would recommend I.E.Canada membership to a colleague
- 67 per cent forward I.E.Canada notices and publications within or outside their organizations.

The majority of our members, more than 70 per cent, are located in Central Canada, which accurately reflects the location of Canada's main manufacturing areas. Over 45 per cent of our members have over 500 employees although some have fewer than five employees. Manufacturing is the primary busi-

ness activity of 43 per cent of our members. In light of the integrated nature of international trade almost 50 per cent of companies involved in trade both import and export.

In our survey, companies were asked to identify all the countries with which they trade. Not surprisingly, the key trade relationship is with the United States. Also included among the top five sources was Mexico, reflecting the success and importance of NAFTA. China also plays an increasingly critical role as a partner for I.E.Canada members involved in trade.

I.E.Canada is an important association and its vital work continues. "I.E.Canada has a dynamic, committed board of directors, which has never been more engaged and thoughtful," says Mary Anderson, president of I.E.Canada.

The board provides leadership to help establish I.E.Canada's strategic direction and has the fiduciary responsibility to ensure the association effectively manages its funding well," adds Mary.

I.E.Canada is ideally positioned to provide excellent trade-related services to members and prospective members.

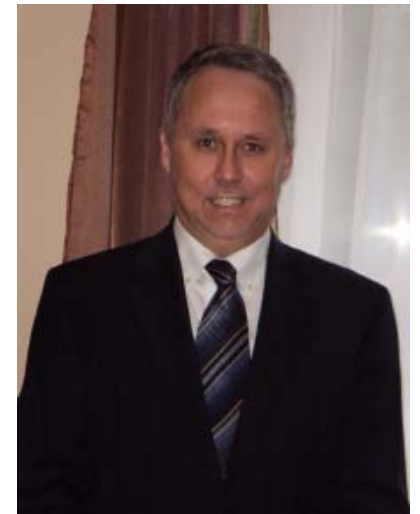
Isabel Alexander thanked those who completed their terms on our board of directors; indeed, their contributions and hard work are greatly appreciated. They include:

- David Adams, president, AIAMC
- Allen Barabas, vice president, global transaction solutions, Royal Bank of Canada
- John Bescec, senior regional trade manager, Americas, Microsoft Canada Co.
- Jerry Mancini, president, Dole Foods of Canada Ltd.
- Tracey Speares, director of trade services, ATLAS

John O'Reilly, director of customs

and traffic for Toshiba of Canada Limited, will be assuming the role of board chair.

John has been a specialist in the international trade, customs and supply chain industry for over 25 years. In his current role, he is responsible for all international transportation, import/export, and in-house customs clearance. He is the Executive Quality Leader for the 6 Sigma Management Innovation program, representing the Canadian subsidiary



John O'Reilly, director of customs and traffic, Toshiba of Canada Limited, will serve as the new chair of I.E.Canada's board of directors.

for this global initiative. He is also responsible for the management and administration of the Export Control program.

John leads a group of 145 members of Toshiba of Canada's Management Innovation program which drives process improvement and generates cost savings directly impacting the bottom line. A graduate of the 6 Sigma Black Belt program, John is also CCS and CITT certified and is a member of the Board of Directors for I.E. Canada.

The five vacancies on the board of directors will now be supported

Shipping and Trade Horizons



Leo Ryan

Shipping and Trade Horizons, a Tradeweek column, is produced by Leo Ryan. The column addresses Canadian industry issues and trade developments of interest to our members.

Canada-U.S. 'Shiprider' Accord

Security measures in North America since 9/11 and the terrorist attacks on the United States have continued to expand, too often to the detriment of a smooth flow of goods across the 49th Parallel and to the frustration of shippers. But sometimes Canada and United States quietly set in motion an initiative that produces auspicious results.

Hence, without great public fanfare, the United States and Canada this spring formally launched a first-of-its-kind accord in North America to enhance security on land borders and on shared waterways and coastal areas.

An agreement was signed in late May under which a so-called Shiprider pilot project was converted into a permanent arrangement between the two countries. Chief targets are drug smugglers and terrorist suspects.

The scope of implementation includes the Great Lakes/St. Lawrence

maritime corridor and the Strait of Georgia between British Columbia and Washington State where container vessels regularly transit on calls to Port Metro Vancouver, Seattle and Tacoma.

Under the agreement, officers from the Royal Canadian Mounted Police and the US Coast Guard can cross-train, share resources and personnel and utilize each other's patrol boats in the waters of both countries. A US officer can command a vessel in US waters while a Canadian officer can command a patrol boat in US waters. As a result, jointly-crewed patrol boats can conduct an uninterrupted pursuit of smugglers, drug operators or terrorist suspects in all border maritime waters.

Canada's Minister of Public Safety, Peter Van Loan, and Janet Napolitano, the US Secretary of Homeland Security, signed the Shiprider agreement during a ceremony on May 26 in Detroit.

"With vessels jointly staffed by law enforcement personnel from both countries, Shiprider will allow more effective and efficient policing of our maritime shared border," said Van Loan. "No longer will criminals be able to take advantage of legal water boundaries to escape the long arm of the law."

Napolitano stressed that "through coordinated enforcement along our shared waterways, we can better interdict offenders trying to flee across our maritime border."

"Borders create seams, and if you are not careful, they create exploitable seams," remarked Rear Admiral Peter Neffenger, commander of the US Coast Guard's 9th District, who attended the signing ceremony near the Windsor-Detroit Ambassador Bridge.

The Shiprider pilot project was in-

duced several years ago as part of the Security and Prosperity Initiative. Joint operations by integrated marine teams had positive results, with 41 arrests made upon the boarding of 187 vessels. None of arrests reportedly involved suspect terrorists.

Both countries insist the new security program will not hamper the substantial cross-border trade. Fortunately, the evidence thus far indicates that Shiprider has not been a trade deterrent.

Leo.ryan@bellnet.ca

Canada-EU Trade Agreement- we need your input!

I.E.Canada is partnering with Bennett Jones to host "Canada/EU Free Trade: Early Indications" on July 16, 2009. The session will take place from 7:30-10 am at Bennett Jones LLP, Suite 3400, 1 First Canadian Place, Toronto.

I.E.Canada is part of the Canada-EU Business Advisory Group formed by DFAIT. As an association focused on trade, we are conducting a survey of members to seek input specifically on trade in goods between Canadian businesses and the EU. We will be gathering member's views regarding the elimination of tariffs and technical barriers to trade in goods between Canada and the EU and hope to share the preliminary survey results on July 16 during the morning seminar.

Please go to https://www.surveymonkey.com/s.aspx?sm=tk1RGKRpT7_2fEn0587V5ZtA_3d_3d to complete the survey so that we may raise your issues and concerns with DFAIT. Don't miss this opportunity to be heard!

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with new directors:

Joseph Brick is the national practice leader for the KPMG trade and customs practice in Canada. He is a certified member of the Ontario Society of Management Accountants.

As national practice leader in Canada, Joseph is frequently called on to bring together and coordinate teams of customs professionals to work on multi-jurisdictional



Joseph Brick, national practice leader, KPMG's trade and customs practice in Canada.

projects.

Joseph has a wealth of experience in international trade; free trade agreements; customs duty and customs duty relief and deferral; customs valuation; origin; appeals; compliance; plant relocations; and offshore processing trade agreements. He is highly experienced in all forms of trade and customs consulting.

He is also known as a skilled negotiator when approaching the Canada Border Services Agency (CBSA) with pilot projects aimed at facilitating trade and refining trade processes.

Joseph has a solid track record in the design and implementation of compliance testing and methods in

retail markets. In addition, he has considerable experience with consumer goods labeling, French language labeling requirements, and product recall strategies.

Joseph has also represented numerous clients appealing assessments from the CBSA.

Mike DePaul is the associate vice president of imports and vendor management for Canadian Tire Retail. His core responsibility is to enable Canadian Tire Retail to have the optimal portfolio of both domestic and global vendors who will deliver market-leading products and programs for Canadian Tire customers.



Mike DePaul, associate vice president, imports and vendor management, Canadian Tire Retail.

This responsibility includes the development of an integrated vendor relationship management and global sourcing import capability, incorporating regional purchasing offices and domestic operations.

Mike has been with Canadian Tire for 20 years. Prior to his current role, he spent three years overseas, from 2004 to 2007, opening and managing Canadian Tire's first mainland China sourcing operation, located in Shanghai. Prior to Shanghai, Mike managed a variety of businesses at Canadian Tire, including home improvements,

housewares, and value added services.

Greg Gerritsen is the manager of customs and trade compliance with Plains Midstream Canada. He is responsible for customs compliance and administration as well as all other federal regulatory requirements that affect Plains Midstream Canada's import and export activity.



Greg Gerritsen, manager, customs and trade compliance, Plains Midstream Canada.

With more than 12 years of varied international trade and logistics experience, Greg has specialized in customs compliance. Although he has been employed with importers and exporters his entire career, he is a licensed Canadian customs broker and holds the Certified Customs Specialist (CCS) Professional designation from the Canadian Society of Customs Brokers.

Greg has been a frequent speaker at national and international conferences and seminars on trade facilitation and cross-border strategies.

Plains Midstream Canada, which is located in Calgary, Alberta, is a midstream oil and liquefied petroleum

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What's Up with Committees?

The following article was written by Amesika Baëta, Committee Director.

On June 10, 2009, at the invitation of the association, officials from the Canada Border Services Agency (CBSA) met with I.E.Canada members to discuss the recently launched export reporting consultations. The joint meeting of the Customs & Legislation (C&L) Committee and the Exports Committee was hosted and chaired by Carol Buckton, co-chair of the Exports Committee at Siemens Canada in Mississauga. Ivan Martin, senior policy advisor and Saman Fradette, senior program officer with the Export Process Unit within the Admissibility Branch of CBSA provided an overview of the goals and objectives of the consultations and walked through the key issues identified by the agency.

The current review of the Reporting of Exported Goods Regulations arose from an internal evaluation of CBSA's export program which was conducted during the first half of 2008. The final report dated November 2008 is available on the CBSA website at [<http://cbsa-asfc.gc.ca/agency-agence/reports-rapports/ae-ve/2008/exportprog-export-eng.html>]. The evaluation confirmed the export program's importance and relevance, noting that since 2001, there has been a greater international push for countries to secure their exports. However, it also highlighted some significant gaps.

There are a number of other factors driving this review of the regulations, including CBSA's Business Simplification Initiative intended to reduce the paper burden placed on business; the international commercial direction which is increasingly focused on better trade security and facilitation, as exemplified by the World Customs Organization's Safe Framework of Standards, the Revised Kyoto Convention and the Se-

curity and Prosperity Partnership of North America; Canada's obligations under international treaties and agreements to ensure that goods entering international commerce from Canada do not pose health, safety or security threats; and industry stakeholder concerns relating to issues such as paper-based reporting.

In undertaking this task, CBSA has identified its goals as improving the quality and accuracy of information collected and disseminated; enabling easier and timely access to information; maintaining Canada's reputation as a safe trading partner; reducing threats to international safety and security; reducing export reporting non-compliance; and reducing compliance burden and costs to exporters.

Key issues that have been identified by the CBSA include:

- i) the lack of a comprehensive electronic export reporting system;
- ii) the existing definition of "exporter," which excludes persons who do not hold business numbers creating problems with liability and enforcement;
- iii) the summary reporting program, which involves a manual process of reporting after the fact and does not have well-defined criteria;
- iv) permit reporting, which involves presentation of paper permits; and
- v) reporting timeframes for exporters and carriers.

These issues are outlined in greater detail in a discussion paper prepared by CBSA that will be updated throughout the course of the consultations.

During the course of the discussion with CBSA officials, I.E.Canada members raised a number of important issues not identified by CBSA. These include the lack of prescribed rules for determining the origin of exported goods; the need to clarify the exceptions to export reporting obli-

gations; and the need for outreach to the trade community to ensure exporters understand their obligations with respect to re-exports of US origin goods. Participants raised concerns about the existing Canadian Automated Export Declaration (CAED) system and stressed the need for flexibility in any new IT systems developed by CBSA so that companies will be able to use existing programs and not have to invest in systems enhancements. They also expressed concern that any changes to the summary reporting system not add to the burden on exporters. Finally, they stressed the need for better coordination between CBSA and the Department of Foreign Affairs and International Trade and other government departments that require permits and impose obligations on exporters.

In terms of timelines, CBSA hopes to complete the initial phase of the consultations by October 2009, following which the agency intends to establish focus groups to discuss and review stakeholder feedback before completing the review in December 2009. CBSA officials also committed to consulting with stakeholders on draft regulations, the first draft of which is scheduled for March 2010. It is unlikely that new regulations will be in place before 2012 or 2013 and it is hoped that by this time the IT resources will also be available so that new systems will be on line when the regulations come into effect. However, many of the desired changes will be subject to financial feasibility and competing priorities within CBSA.

CBSA stressed that the ideas discussed during the meeting were for discussion purposes only and did not represent an official position of the CBSA on these specific issues as they are still in consultations.

Joy Nott, who co-chairs the Exports Committee, announced that the Ex-

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gas partnership. The company's activities include crude oil transportation, gathering, marketing, terminalling, and storage as well as marketing and storage of liquefied petroleum gas and other petroleum products. Plains Midstream Canada, is active in over 40 American states and in five Canadian provinces.

As vice president of government and industry relations at Maple Leaf Foods Inc., **Rory McAlpine** has overall responsibility for building strong and effective relationships with government and industry stakeholders to develop a coordinated and proactive government and industry relations program across Maple Leaf Foods.



Rory McAlpine, vice president, government and industry relations, Maple Leaf Foods Inc.

Rory has more than 25 years of experience in government, trade, and agribusiness. Prior to joining Maple Leaf Foods, he was deputy minister of the B.C. ministry of agriculture, food and fisheries, a position he held from 2002 to 2005. Previously, he obtained significant experience with the federal government as executive director and director gen-

eral, international trade policy directorate; director, grains and oilseeds division; and deputy director, multilateral trade with Agriculture and Agri-Food Canada. He was also the executive director of the National Farm Products Council, and was a trade commissioner with the Department of Foreign Affairs and International Trade.

Maple Leaf Foods Inc. is a leading food processing company, headquartered in Toronto, Canada. The company employs approximately 24,000 people at its operations across Canada and in the United States, United Kingdom and Asia.

Reesa Shurgold is assistant vice president, trade and supply chain, HSBC Bank Canada.



Reesa Shurgold, assistant vice president, trade and supply chain, HSBC Bank Canada.

Although Reesa has experience in both retail and commercial banking, she has focused on interna-

tional trade since 1980. She is currently responsible for mid-market trade finance business development in Ontario as well as trade training and development of HSBC's Ontario mid-market commercial lenders.

Reesa works closely with both commercial and corporate customers, as well as prospective customers, to identify potential financial risks in international transactions. Wherever possible she recommends risk mitigation solutions through traditional and non-traditional trade products, as well as working capital enhancement solutions.

Current board members who will be assuming new executive roles are **Kristina Bryson**, executive program manager, import compliance office, IBM, who will serve as vice chair while continuing on as treasurer, and **Joy Nott**, vice president, JP Morgan Global Trade Management Company, who will serve as board secretary.

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ports Committee will be forming a working group to monitor and participate in the ongoing consultations and she invited volunteers from both the Exports Committee and the C & L to participate. Anyone wishing to volunteer for this working group may contact Amesika Baëta, Committee Director at abaeta@iecanada.com.

Copies of CBSA's presentation and discussion paper regarding the review of the export regulations are also available from Amesika.

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